

CHAPTER 14

FISCAL YEAR END CLOSEOUT

The information provided in this chapter is written in a generic format to be utilized by all OPLOCs and FSOs (FM/FMA/FMF). All consolidated activities that have unique requirements at year end must coordinate with their respective MAJCOM and OPLOC. Procedures in DFAS-DER 170-9 and DFAS-DE/ANAA/ANAC "Fiscal Year-End conversion messages" supercede any conflicting guidance in the manual.

The Comptroller is ultimately responsible for the effective Fiscal Year End Closeout, which is normally monitored by the Financial Management Analysis (FMA) office. The Chief of FMA will maintain close liaison with all financial managers to accomplish required fiscal year-end program changes.

The FMA Office will coordinate with the OPLOC and the FSO to establish appropriate controls over additional funding or reprogramming actions to ensure there is no delay in posting to the accounting data base. LIMIT TARGET ADJUSTMENTS. MINIMIZE TARGET CHASING DURING THE LAST QUARTER OF THE FISCAL YEAR. (This applies only to base level, not MAJCOMs.)

During the last two weeks of the first FY close-out, the OPLOC may provide a representative to each consolidated activity. This would allow the OPLOC representative to assist, coordinate, and oversee this process and provide lessons learned.

As stated in the approved matrix obligating authority may be given to the FSO during the last days of September as required.

a. OPLOC:

GENERAL INSTRUCTIONS.

(1) Appoint a project officer from within the OPLOC to monitor and control the year-end review as prescribed herein. Vest in this officer the authority to require responsible individuals to adhere to schedules and duties as outlined in the succeeding paragraphs.

(2) Ensure that key personnel are available the last two weeks of September through the first week of October to take appropriate year-end actions.

(3) Ensure all OPLOC personnel are thoroughly familiar with the contents of the close out package, as well as any locally developed plan. Close coordination and effective planning are essential for a successful close out.

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(4) Have each Processing Center (PC) chief establish a time schedule of actions. If it becomes apparent a due date will not be met, the Deputy Director for Accounting or Finance must be notified immediately so necessary action can be initiated.

(a) Take prompt action to process all documents received by fax or mail. Each accounting document received must be posted within one workday. Ensure problem areas are brought to the Deputy Director's immediate attention.

(b) The following items reiterate certain standard practices to stress their importance:

1 All unliquidated obligation and commitment files will be reviewed and coordinated with the FSO not less than weekly to assure the validity of recorded obligations and commitments. During the last week of September, the frequency should be accelerated to daily.

2 Unliquidated obligation and commitment files will be 100 percent reconciled or an acceptable statistical sample with the Open Document Listing (ODL) (see AFR 170-8 and AFR 170-13): or the Central Procurement Accounting System (CPAS) financial document status listing (H103.2H1-CY-8J2) (whichever is applicable) and certified effective 30 September. Retain work papers and records associated with these verifications.

3 Ensure that all known obligation documents are recorded.

(5) Miscellaneous Obligation Reimbursement Documents (MORDS) will be reviewed on September 8, to determine their validity. All necessary adjustments through September 30, will be processed by 2400 hours (base time), September 30.

(6) Year-end obligations for travel will be reviewed NLT September 21, to ascertain that proper fiscal year funds are cited.

(7) Perform continuous follow-up action throughout August and September on all unpaid GBLs in excess of 150 days after the date of issue.

(8) The miscellaneous obligation/reimbursement documents for communications, utilities, and leases will be adjusted immediately upon notification of the actual amount by the agency concerned.

(9) All undelivered orders outstanding (UOO) recorded will be reconciled with the Chief of Supply/Contracting Officer during August and September.

(10) Accrued expenditures unpaid, which are over 60 days old, will be researched for duplication and followed-up with the vendor/contractor to find out why billing

has not been received. Actions must be taken in accordance with AFR 177-102, paragraph 14-9d and AFM 177-206, paragraphs 32.4k and 32.5k.

(11) Beginning August 1, and throughout the remainder of the fiscal year, ensure a more extensive follow-up action plan is in use to secure supporting documents for all commercial-type transactions. Process payments of all commercial transactions that are ready for payment. Ensure procedures are established IAW the AFR 177-102, Prompt Payment Act (PPA).

(12) The Project Officer must ensure the following tasks are performed in each processing center:

ACCOUNTING OPERATIONS DIVISION

(a) Review year-end procedures outlined in AFR 177-101, Section L; AFM 177-370, chapter 41; AFR 170-8; and DFAS-DER 170-9 (current year version) for special reporting requirements. Review DFAS-DER 170-9 for reimbursement policy on Economy Act Orders and procedures for reporting unliquidated obligations.

(b) Review year-end procedures with each Processing Center NLT July 1, to assure all reconciliation requirements are understood.

(c) Ensure that Processing Center areas' year-end procedures are reviewed and discussed with the FMA Officer NLT July 1. Although each Processing Center is responsible for validation of applicable obligations, FMA requires this information to control the program and make necessary funding adjustments where appropriate. It is especially important to notify the FMA officer when large obligations fall out of the system during the last 2 weeks of September.

(d) Establish firm dates for completion of all reports IAW, DFAS-DER 170-9 and other locally published instructions for September 30 certification and reporting.

1 Review limitations with Processing Center chiefs and their personnel.

2 Review MAJCOM funding documents for applicable limitations with staff agency OPRs, i.e., JCS exercises or commanders contingency fund on appropriated fund support to SVCS activities which includes O&M and military personnel.

3 MONITOR ALL FUNDS STATUS DAILY.

(e) Ensure reconciliation of applicable general ledger accounts with merged accountability and fund reporting (MAFR) schedules of net disbursements and net reimbursements.

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(f) Review DFAS-DER 170-9 for exact wording of certificates as statements may vary by report.

(g) Coordinate computer schedule with Systems Division so financial management reports are produced when required. Request their cooperation in providing additional remote and computer time, should it be required.

(h) Coordinate with CES to ensure the Materiel Distribution Tape is available. Process in accordance with AFM 177-370, para 53.9e (6). Follow procedures in paragraphs 53.9e(4) for month-end processing.

(i) Ensure current year balance ID (BID) "O" with sales code (SC) equals BID "D" with SC and prior year BID "U" with SC equals BID-"F" with SC. (Ref DFAS-DER 170-9, para 7c(5).)

(j) Cutoff for By-Others payments will be September 22, 1995.

(k) Limit current year RC/CC or PEC changes during September.

(l) The normal CPAS end-of-month for the end-of-year will not run until the direct contract payment notice end-of-month has run. Review the CPAS operating instructions for DFAS-CO direct payment reporting for end-of-year requirements.

VENDOR PAY & TRAVEL DIVISION

(a) In September, review O&M obligations to ensure they meet the requirements for current year funding.

(b) Coordinate with the base contracting and base supply offices to ensure timely receipt of all documentation and interfaces.

(c) Process interfund payments within five days of receipt.

(d) Review DFAS-DER 170-9 for exact wording of certificates as statements may vary by report.

(e) Processing fund requests for off-line requisitions must be minimized after September 1, 1995.

(f) Review and verify items on the ODL and Local Purchase Open Item List with the open document files. IAPS must be closely monitored. Discrepancies from Contracting and SBSS input will be researched and corrected promptly (within 1 workday).

(g) Review and comply with SBSS year-end close out procedures as provided by the Standard System Center.

(h) Review and comply with Medical Materiel Management System end-of-fiscal year conversion procedures in AFM 177-375, section 24. Processing schedule must be coordinated with Medical Supply and Defense Mega Center.

(i) Review and comply with end-of-fiscal year procedures in AFM 177-206, section 38.

(j) Review DFAS-DER 170-9 for special reporting requirements and certification of Stock Fund Trial Balances.

(k) Review and implement AFR 177-102, para 9-14b, end-of-fiscal year procedures for Credit Card Service Station Purchases.

(l) Review end-of-month and end-of-fiscal year requirements in AFM 177-383, chapter 27.

(m) Reconcile stock fund general ledger account balances to supporting documents and general ledger cash accounts with MAFR.

(n) Coordinate computer schedule with System Division so financial management reports are produced when required. Request their cooperation in providing additional remote and computer time, should it be required.

(o) Maintain close contact with Supply and Contracting during close out processing.

(p) Before end-of-day on September 15, accomplish a complete validation of LP open items for all automated SF divisions to ensure each item is supported by a valid hard copy document. For SBSS, use a M37 date not earlier than August 15. For MMAS, use the SF on Order, Intransit and Payable List (C3W), part 1 (dated not earlier than August 15). Retain the annotated copy of the validation list for audit. Ensure all corrections, adjustments, and deletions are processed in the automated system prior to September 30 (reference AFR 170-8, para 39).

(q) Coordinate with Accounting Operation Processing Center and assist in preparation of year-end reports schedule with firm established due out dates.

(r) Ensure all Integrated Accounts Payable System discrepancies have been researched and corrected prior to close of business September 27, 1995.

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(s) For on-base activities. AF Form 616's, Fund Cite Authorization, will expire on September 15. (Obligations for September 18-30 will be direct fund cited by the FSO). For off-base activities. AF Form 616s will be valid through September 1. Obligations from September 18-30 will be a direct fund cited by the FSO. Establish procedures with all users to provide obligation data promptly during September. Suggest using electronic mail/telefax for off-base users. This guidance applicable to annual appropriations only!

(t) Recording Price Variations for Stock Fund Orders at Fiscal Year-End. It may become necessary to establish an obligation to record changes in catalog prices or quantity variations. Using a MORD, record an obligation for the estimated amount of the change that will occur at the beginning of the fiscal year.

(u) Starting September 1 Supply interfaces will be run 3 times a week. Starting September 18 Supply interfaces will be run daily.

(v) MIPRs are Economy Act orders and need to be reviewed. Those recorded as commitments citing funds that are expiring must be decommitted before the yearend certification. For reimbursable MIPRs recorded as obligations, contact the performing activity and adjust the obligation downward to the extent the performing activity has not incurred obligations to fill the reimbursable order. Direct cite MIPRs recorded as obligations do not require deobligation because the performing activity has already issued a contractual obligating document to fill the order citing the customer's funds. This information had to be provided to the customer before it could record an obligation on its books. Thus, performance by the performing activity has occurred. Project orders are not Economy Act orders and do not require deobligation at yearend when funds expired.

(w) Documents are needed for all obligations recorded against AF Forms 616s. Unobligated balances remaining on AF Forms 616s applicable to expiring accounts must be decommitted before yearend certification. MORDs will only be established within the guidelines of pertinent regulations.

(x) Coordinate with Contracting on the requirement to provide the OPLOC with a letter for changes or cancellation to existing UOOs. The letter must contain contract number, modification number, date, amount of change, and date of contractor/vendor acceptance. The letter must be signed by the Contracting Officer or approved designee (AFR 177-102, para 10-19b).

NOTE: OPRs, resource advisors, and fund managers must notify Contracting for modifications to existing contracts when increases, decreases, or cancellations occur. After receipt of written determination from Contracting (Contract termination costs will be recorded as an AEU per AFR 177-102, para 11-13).

(y) Establish firm control over fund control numbers (FCNs) to ensure obligations are recorded when FCNs are used for citing your funds.

(z) Starting in September, BCAS will be interfaced and rejects cleared several times per day.

(aa) Review communication obligation files with the Communication Officer to assure the validity of open items. Estimates for the month of September, should be adjusted to actual before EOM September.

(bb) Review real property maintenance contracts with Civil Engineering for possible cancellations or amendments.

(cc) Assure follow-up action is taken to obtain invoices and/or receiving reports on unliquidated obligations.

(dd) Ensure that claims adjudicated by the base Legal Office are paid promptly if funds are available. Legal claims submitted to the OPLOC which cannot be paid on or before EOM September should be coordinated with the JAG office for the establishment of an obligation and suspended for September 28.

(ee) Review blanket purchase orders and call all contracts with the Contracting Office to assure that all deliveries are recorded on a timely basis but not later than EOM September.

(ff) Certify the open document list and the CPAS financial document status listing with the open document files by EOM September.

(gg) Refunds and Reimbursements:

1 Refunds. Of equal importance, in the determination of charges and obligations to be reported at the end of the fiscal year, is accurate reporting of earned credits. Since refunds directly reduce the overall obligations incurred, it is essential that all credits and overpayments be closely monitored and recorded for collection by the end of the fiscal year.

2 Reimbursements. Funds made available to procure materiel and services which are later provided to government and non-government agencies can only be realized to the extent that they are earned. It is important that all earned reimbursements be accumulated and reported to the OPLOC for collection.

3 To accomplish the above, the following actions are suggested:

a The Civil Engineering Office should submit reimbursable/refundable costs to the OPLOC for utilities furnished and reimbursable work orders applicable to other government agencies (or appropriations) and tenants. To meet close-

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out suspense dates, the Civil Engineer should take immediate action to secure the data required from site commanders and other-sources. Anticipated refunds/reimbursements should be established by September 15. All refunds/reimbursements earned by Civil Engineers must be accurately recorded in the accounting records. Daily transactions must be recorded prior to producing the schedule of reimbursements and refunds.

b The Transportation Office should submit refundable and reimbursable costs for supplies and services (vehicle maintenance) furnished in accordance with existing agreements to the OPLOC. Services will be reported directly to the OPLOC and supply costs processed through the Defense Mega Center. Anticipated refunds/reimbursements will be established by September 15 and reviewed and/or revised at least weekly. On-line Vehicle Interactive Management System (OLVIMS) procedures are in AFM 177-370, Section 54.

TRAVEL ACCOUNTING BRANCH

(a) After August 4, take twice a week follow-up actions to ensure liquidation of travel obligations within five days after completion of travel. If necessary, obtain help from the unit First Sergeant to expedite the process. Review all travel obligations critically. Review all obligation documents to assure their validity as prescribed by AFR 170-8. Assure that TDY estimated obligations are accurate. After September 15, follow-up action will be daily.

(b) Review PCS obligation documents on civilians for appropriate adjustments or cancellations.

(c) Ensure daily that obligations are within fund limitations.

(d) Expedite processing of by-others payments.

(e) Obligate estimated transportation costs from TDY order or travel voucher itinerary. Adjust to actual cost upon receipt of the MTAs, TRs, or Passenger Name Record (PNR). Extreme caution should be taken not to have dual obligations for the same leg of travel, i.e., the paid SATO billing for a TR with an estimated obligation still set-up under the travel order.

(f) Coordinate with the Transportation Officer to assure all obligating documents are forwarded to the OPLOC not less than twice weekly. Accelerate to daily during September.

(g) Record obligations for all travel, transportation, and real estate expenses of a transferred employee against the appropriation when the employee is issued travel orders.

(h) When travel is to be performed by incoming civilian personnel (i.e., travel, household goods), any estimated costs from appropriated funds should be coordinated with the travel section, and obligations set according to what the employee will earn in the current FY.

(i) Record Do-It-Yourself (DITY) move obligations promptly.

DISBURSING DIVISION

(a) Review all DD Form 1081's, Statement of Agent Officer's Account.

(b) Review special orders on appointments of agents for expiration, separation or retirement.

NOTE: The above items can be accomplished at any time during the year, not just at fiscal year-end.

CIVILIAN PAY (OMAHA/DAYTON ONLY WHILE ON AFSCAPS)

(a) Ensure lump sum leave has been obligated for all civilian employees retiring, separating, or resigning prior to October 1. Ensure the date of separation is in the employee's master record, or split funding between fiscal years will occur.

(b) Ensure timely receipt of time and attendance sheets for the last full pay period. Ensure agencies inform the Civilian Pay Office when anticipated changes in their work schedules affect regular or overtime pay.

(c) The Incentive Awards Committee must work closely with FMA and Civilian Pay in determining dollar amounts for incentive awards approved from current fiscal year funds. Approval notifications should be provided to ensure recording of obligations prior to September 22. Also, ensure all SF 50's needing correction are corrected and returned to Civilian Personnel ASAP.

(d) Pay particular attention to year-end accruals for the last pay period in September to ensure that correct amounts are properly recorded by EOM September (i.e., overtime, new hires, transfers, retirements, separations, promotions, etc.). Review AFM 177-370, sections 41 and 46.

(e) Coordinate with Accounting Operations to assure obligating documents for command responsible transfer-ins are established by September 22. Included would be transportation, per diem, real estate, temporary quarters, and subsistence expenses (TQSE), dependent travel, and miscellaneous expense allowance.

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(f) Accrue civilian payroll expenses for September during the last payroll in August.

(g) Impress upon FMA and RAs it is extremely imperative they coordinate with Accounting Operations as well as with Civilian Pay on all accounting classification changes for the new fiscal year. Coordinate early enough to be added for the table B file (New Year records), NLT September 25.

(h) Additional detailed end of fiscal year instructions will be provided by DFAS-DE/FNAL to all Air Force Standard Civilian Automated Pay System (AFSCAPS) bases outlining specific instructions based on current programming.

b. FSO:

The Chief of FMA will maintain close liaison with all financial managers to accomplish required fiscal year-end program changes.

Coordinate with the OPLOC and FSO additional funding or reprogramming actions to ensure there is no delay in posting to the accounting data base. LIMIT TARGET ADJUSTMENTS. MINIMIZE TARGET CHASING DURING THE LAST QUARTER OF THE FISCAL YEAR.

During the last two weeks of the first FY close-out the OPLOC may provide a representative at each consolidated activity. As stated in the approved matrix obligating authority may be given to the FSO during the last day of September. This would allow the OPLOC representative to assist, coordinate, and oversee this process and provide lessons learned.

The following items reiterate certain standard practices to stress their importance

(1) All commitment files will be reviewed not less than twice a week to ensure validity of recorded commitments.

(2) FSO should request a consolidated ODL by accounting classification without sub-PCs on August 1. This should be received by August 7 and sent out to RAs by August 8.

(3) Obligation files will be 100 percent reconciled with the Open Document Listing (ODL) or the Financial Document Status Listing and certified effective 30 September. Retain work papers and records associated with these verifications.

(4) During September ensure all known obligation documents are forwarded by Express Mail or fax to the OPLOC at least daily and confirm they were received.

Confirmation that the OPLOC has recorded an obligation in CPAS can be accomplished on-line.

(5) Fund managers will review applicable cross-service agreements and host-tenant support agreements to ensure that all units within their respective areas of responsibility have adequate controls to effect timely and accurate reporting of the related earned reimbursement to the OPLOC.

(6) Constant follow-up action with contracting personnel will be taken to cancel or obligate commitments. All AF Forms 9, Purchase Requests, must have a purchase order assigned and issued at the earliest possible date or canceled prior to September 29. There will be minimal commitments except for contingent liabilities (for expiring appropriations) on September 29. Additionally, all remaining commitments, except contingent liabilities must be obligated or removed from the accounting system by close of business for the fiscal year.

(7) For on-base activities. AF Form 616's, Fund Cite Authorization, will expire on September 15. Require the funded activities notify the FSO what funds are available for withdrawal. (Obligations for September 18-29 will be direct fund cited by the FSO.)

(8) For off-base activities. All AF Form 616s will be valid through September 1. Obligations from September 18-29 will be a direct fund cited by the FSO.

(9) Throughout the fourth quarter, the FSO will take continuous action to keep all travelers informed of the importance of submitting their travel claims promptly or of notifying the FSO immediately if a claim will not be made.

(10) Vigorous follow-up action will be taken with each traveler during the period August 21 through September 29 to liquidate all TDY travel obligations which are outstanding five days past the completion of travel.

(11) Assure that direct-hire payroll accruals through September 30 are accurately and properly computed based on the last payroll processed. Make any necessary adjustments.

(12) Validate all recorded commitments during July, August, and September.

(13) Initiate letters to applicable organizations/OPRs by August 4, listing all open Military Interdepartmental Purchase Requests (MIPRs) and Project Orders. The organization's OPRs must validate these MIPRs and Project Orders. Organization's reconciliation's will be completed and returned for necessary actions by September 22.

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(14) All commitments must be reviewed and validated by September 15. Validating obligations by that time will preclude an eleventh-hour rush and loss of available funds because an obligation was not processed.

(15) Review requests for citation of TDY funds closely to ensure that the correct fiscal years are cited.

(16) Next fiscal year funds may not be obligated until October 1 each year.

(17) AFI 65-103 allows/authorizes travel seven days before or after the proceed on or about date.

(18) If traveler is to depart on October 1, they will need their travel tickets prior to October 1. These will be charged to the current fiscal year funds.

(19) The travel advance will be charged to current year funds. After the travel voucher is filed, the funds will be charged based on the actual fiscal year travel was performed in (i.e., travel advance is drawn September 29 and charged to FY 95 funds. Traveler leaves October 1 and returns 5 October. After voucher is filed, all travel per diem is charged to FY 96 funds).

(20) Cite both fiscal year funds for travel that begins during the first six days of the new fiscal year.

(21) Transportation Requests (TRs), MAC Transportation Authorizations (MTAs), and Government Bills of Lading (GBLs): If SF 1169, United States of America Transportation Requests (TRs), were actually used, refer such unliquidated items which are more than 150 days old to the US Army Finance and Accounting (USAFAC) on DD Form 870, Request for Fiscal Information Concerning Transportation Requests, Bills of Lading, and Meal Tickets (AFR 177-103, para 37-46(e)1). Accomplish early in the fourth quarter to ensure response prior to close of the fiscal year.

(22) All temporary duty travel requests must be monitored personally by each supervisor and reviewed critically by each order approving official. Sound fund management requires the personal attention of every user.

(23) All blanket travel orders for FY95 will expire September 15. Individual orders will be used after this date.

(24) Outstanding orders/advance list. Follow-up weekly with the traveler and/or traveler's unit to obtain either a settlement voucher or documentation to validate or cancel the obligation. Follow-up daily during September. AFR 177-103, para 37-48b(3).

(25) Review AFM 177-370, para 48-7, to ensure reconciliation of fund targets loaded in BQ, SBSS, and Medical Materiel Management Systems.

(26) Review commitment documents with the Contracting Office. Cancel the documents against annual appropriations which will not become firm obligations by September 29, unless a contingent liability exists. Coordinate cancellations with appropriate Financial Management Office.

(27) Review validity of contingent liabilities (commitments) recorded with the Contracting Officer. Ensure the commitment amount is enough to cover any additional obligations for the current fiscal year but payable next fiscal year which may arise after September 30. Increases or decreases must be coordinated and recorded prior to COB September 29.

(28) Certify the open document list or the CPAS financial document status listing with the open document files by September 30.

(29) Coordinate with the Billeting Office to ensure that BPA calls for contract quarters, funded with AF Form 616, are not obligated for occupancies that extend beyond September 30.

(30) MIPRs are Economy Act orders and need to be reviewed. Those recorded as commitments citing funds that are expiring must be decommitted before the yearend certification. For reimbursable MIPRs recorded as obligations, contact the performing activity and adjust the obligation downward to the extent the performing activity has not incurred obligations to fill the reimbursable order. Direct cite MIPRs recorded as obligations do not require deobligation because the performing activity has already issued a contractual obligating document to fill the order citing the customer's funds. This information had to be provided to the customer before it could record an obligation on its books. Thus, performance by the performing activity has occurred. Project orders are not Economy Act orders and do not require deobligation at yearend when funds expired.

(31) A copy of the MIPR is the commitment document. Record an obligation when notified in writing by the performing activity that a contract, project order, or purchase order has been executed or when a copy of the contract, project order, or purchase order is received. We need obligation documents for all outstanding 616s and direct cite MIPRs as well as acceptances of Project Orders and reimbursable MIPRs. MORDs will only be established within the guidelines of pertinent regulations.

(32) Coordinate with Contracting on the requirement to provide the DAO with a letter for changes or cancellation to existing UOOs. The letter must contain contract number, modification number, date, amount of change, and date of contractor/vendor acceptance. The letter must be signed by the Contracting Officer or approved designee (AFR 177-102, para 10-19b). NOTE: OPRs, resource advisors, and fund managers must

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notify Contracting for modifications to existing contracts when increases, decreases, or cancellations occur.

(33) AF Form 9, Purchase Requests, will be hand carried to Contracting to prevent any delay in routing. Care will be taken to establish priorities on purchase requests well in advance to prevent duplication of work in the Contracting Office.